SENATE, No. 3186

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED OCTOBER 29, 2018

Sponsored by: Senator RICHARD J. CODEY District 27 (Essex and Morris)

SYNOPSIS

Amends list of environmental infrastructure projects approved for long-term funding for FY2019 to include new projects and remove certain projects.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the financing of environmental infrastructure 2 projects in Fiscal Year 2019 and amending P.L.2018, c.85.

3 4

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

5 6 7

8 9

10

11

12

13

14

15

16

17

18 19

20

21

22

23

24

25

26

27

28

29

30

31

32 33

34

35

36

37 38

39

40

41 42

- 1. Section 1 of P.L.2018, c.85 is amended to read as follows:
- 1. a. (1) There is appropriated to the Department of Environmental Protection from the "Clean Water State Revolving Fund" established pursuant to section 1 of P.L.2009, c.77, an amount equal to the federal fiscal year 2018 capitalization grant made available to the State for clean water project loans pursuant to the "Water Quality Act of 1987" (33 U.S.C. s.1251 et seq.), and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Clean Water Act").
- (2) There is appropriated to the Department of Environmental Protection from the "Interim Environmental Financing Program Fund" created and established by the New Jersey Infrastructure Bank pursuant to subsection d. of section 9 of P.L.1985, c.334 (C.58:11B-9) such amounts as may be necessary to supplement the sums appropriated from the Clean Water State Revolving Fund for the purposes of clean water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (3) There is appropriated to the Department of Environmental Protection from the "Disaster Relief Emergency Financing Program Fund" created and established by the New Jersey Infrastructure Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5) such amounts as may be necessary to supplement the sums appropriated from the Clean Water State Revolving Fund for the purposes of clean water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (4) There is appropriated to the Department of Environmental Protection from the "Drinking Water State Revolving Fund" established pursuant to section 1 of P.L.1998, c.84 an amount equal to the federal fiscal year 2018 capitalization grant made available to the State for drinking water projects pursuant to the "Safe Drinking Water Act Amendments of 1996," Pub.L.104-182, and any amendatory and supplementary acts thereto (hereinafter referred to as the "Federal Safe Drinking Water Act").
- 43
- 44 The Department of Environmental Protection is authorized to 45 transfer from the Clean Water State Revolving Fund to the Drinking

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

- 1 Water State Revolving Fund an amount up to the maximum amount
- 2 authorized to be transferred pursuant to the Federal Safe Drinking
- 3 Water Act to meet present and future needs for the financing of
- 4 eligible drinking water projects, and an amount equal to that
- 5 maximum amount is hereby appropriated to the department for
- 6 those purposes.

- The Department of Environmental Protection is authorized to transfer from the Drinking Water State Revolving Fund to the Clean Water State Revolving Fund an amount up to the maximum amount authorized to be transferred pursuant to the Federal Clean Water Act to meet present and future needs for the financing of eligible clean water projects, and an amount equal to that maximum amount is hereby appropriated to the department for those purposes.
- (5) There is appropriated to the Department of Environmental Protection the unappropriated balances from the Clean Water State Revolving Fund, including the balances from the Federal Disaster Relief Appropriations Act, and any repayments of loans and interest therefrom, for the purposes of clean water project loans and providing the State match as available on or before June 30, 2019, as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (6) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "Wastewater Treatment Fund" established pursuant to section 15 of the "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329), and any repayments of loans and interest therefrom, as available on or before June 30, 2019, for the purposes of clean water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (7) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "1992 Wastewater Treatment Fund" established pursuant to section 27 of the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992" (P.L.1992, c.88), and any repayments of loans and interest therefrom, as available on or before June 30, 2019, for the purposes of clean water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (8) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "2003 Water Resources and Wastewater Treatment Fund" established pursuant to subsection a. of section 19 of the "Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003" (P.L.2003, c.162), and any repayments of loans and interest therefrom, as available on or before June 30, 2019, for the

purposes of clean water project loans and providing the State match 2 as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant 4 to the Federal Clean Water Act.

1

3

5

6 7

8

9

10

11

12

13 14

15

16

17

18

19

20

21 22

23

24

25

26

27

28

29

30

31

32 33

34

35

36 37

38

39

40

41

- (9) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "Pinelands Infrastructure Trust Fund" established pursuant to section 14 of the "Pinelands Infrastructure Trust Bond Act of 1985" (P.L.1985, c.302), and any repayments of loans and interest therefrom, as available on or before June 30, 2019, for the purposes of clean water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (10) There is appropriated to the Department of Environmental Protection the unappropriated balances from the "Stormwater Management and Combined Sewer Overflow Abatement Fund," established pursuant to the "Stormwater Management and Combined Sewer Overflow Abatement Bond Act of 1989" (P.L.1989, c.181), and any repayments of loans and interest therefrom, as available on or before June 30, 2019, for the purposes of clean water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act.
- (11) There is appropriated to the Department of Environmental Protection the unappropriated balances from the Drinking Water State Revolving Fund, including the balances from the Disaster Relief Appropriations Act of 2013, for the purposes of drinking water project loans and any repayments of loans and interest therefrom, that are or may become available on or before June 30,
- (12) There is appropriated to the Department of Environmental Protection such sums as may be needed from loan repayments and interest earnings from the "Water Supply Fund" established pursuant to section 14 of the "Water Supply Bond Act of 1981" (P.L.1981, c.261) for the "Drinking Water State Revolving Fund Match Accounts" contained within that fund for the purpose of providing the State match as required or will be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water
- 43 (13) There is appropriated to the Department of Environmental 44 Protection from the "Interim Environmental Financing Program 45 Fund" created and established by the New Jersey Infrastructure 46 Bank pursuant to subsection d. of section 9 of P.L.1985, c.334 47 (C.58:11B-9) such amounts as may be or become available on or 48 before June 30, 2019, and any repayments of loans and interest

therefrom, as may be necessary to supplement the sums appropriated from the Drinking Water State Revolving Fund for the purposes of drinking water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Safe Drinking Water Act.

- (14) There is appropriated to the Department of Environmental Protection from the "Disaster Relief Emergency Financing Program Fund" created and established by the New Jersey Infrastructure Bank pursuant to section 1 of P.L.2013, c.93 (C.58:11B-9.5) such amounts as may be necessary to supplement the sums appropriated from the Drinking Water State Revolving Fund for the purposes of drinking water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.
- Protection such sums as may be received by the Department of Community Affairs as the grantee from the United States Department of Housing and Urban Development Community Development Block Grant Disaster Recovery Program (CDBG-DR), as anticipated and upon availability on or before June 30, 2019, for the purposes of CDBG-DR eligible clean water and drinking water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for clean water projects pursuant to the Federal Clean Water Act and drinking water projects pursuant to the Federal Safe Drinking Water Act, respectively.
- (16) There is appropriated to the Department of Environmental Protection such sums as may be or become available on or before June 30, 2019, as repayments of drinking water project loans and any interest therefrom from the "Water Supply Fund" established pursuant to section 14 of the "Water Supply Bond Act of 1981" (P.L.1981, c.261) for the purposes of drinking water project loans and providing the State match as required or will be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.
- (17) Of the sums appropriated to the Department of Environmental Protection from the "Water Supply Fund" pursuant to P.L.1999, c.174, P.L.2001, c.222, P.L.2002, c.70 and P.L.2003, c.158, the department is authorized to transfer any unexpended balances and any repayments of loans and interest therefrom as may be or become available on or before June 30, 2019, in such amounts as needed to the Drinking Water State Revolving Fund accounts contained within the Water Supply Fund established for the purposes of providing drinking water project loans and providing the State match as required or will be required for the award of the

capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act.

3 (18) Of the sums appropriated to the Department of 4 Environmental Protection from the "1992 Wastewater Treatment 5 Fund" pursuant to P.L.1996, c.85, P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92, P.L.2001, c.222 and P.L.2002, 6 7 c.70, the department is authorized to transfer any unexpended 8 balances and any repayments of loans and interest therefrom as may 9 be or become available on or before June 30, 2019, in such amounts 10 as needed to the Clean Water State Revolving Fund accounts 11 contained within the 1992 Wastewater Treatment Fund for the 12 purposes of providing clean water project loans and providing the 13 State match as required or will be required for the award of the 14 capitalization grants made available to the State for clean water 15 projects pursuant to the Federal Clean Water Act.

16 (19) Of the sums appropriated to the Department of 17 Environmental Protection from the "2003 Water Resources and 18 Wastewater Treatment Fund" pursuant to P.L.2004, c.109, and 19 P.L.2007, c.139, the department is authorized to transfer any 20 unexpended balances and any repayments of loans and interest 21 therefrom as may be or become available on or before June 30, 22 2019, in such amounts as needed to the Clean Water State 23 Revolving Fund accounts contained within the 2003 Water 24 Resources and Wastewater Treatment Fund for the purposes of 25 providing clean water project loans and providing the State match 26 as required or will be required for the award of the capitalization 27 grants made available to the State for clean water projects pursuant 28 to the Federal Clean Water Act.

29 (20) There is appropriated to the Department of Environmental 30 Protection the sums deposited by the New Jersey Infrastructure 31 Bank into the Clean Water State Revolving Fund, the "Wastewater 32 Treatment Fund," the "1992 Wastewater Treatment Fund," the 33 "Water Supply Fund," the "Stormwater Management and Combined 34 Sewer Overflow Abatement Fund," established pursuant to the 35 "Stormwater Management and Combined Sewer Overflow 36 Abatement Bond Act of 1989" (P.L.1989, c.181), the "2003 Water 37 Resources and Wastewater Treatment Fund" and the Drinking 38 Water State Revolving Fund, as appropriate, pursuant to paragraph 39 (6) of subsection c. of section 1 of P.L.2018, c.84, as amended by 40 P.L., c. (pending before the Legislature as Senate Bill No. and 41 Assembly Bill No.), as available on or before June 30, 2019, for 42 the purposes of providing clean water project loans and drinking 43 water project loans and providing the State match as required or 44 will be required for the award of the capitalization grants made 45 available to the State for clean water projects pursuant to the 46 Federal Clean Water Act and drinking water projects pursuant to the 47 Federal Safe Drinking Water Act.

Any such amounts shall be for the purpose of making zero interest and principal forgiveness financing loans, to the extent sufficient funds are available, to or on behalf of local government units or public water utilities (hereinafter referred to as "project sponsors") to finance a portion of the cost of construction of clean water projects and drinking water projects listed in sections 2 and 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), and for the purpose of implementing and administering the provisions of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), to the extent permitted by the Federal Disaster Relief Appropriations Act, the Federal Clean Water Act, and any amendatory and supplementary acts thereto, P.L.2009, c.77, the "Wastewater Treatment Bond Act of 1985" (P.L.1985, c.329), the "Water Supply Bond Act of 1981" (P.L.1981, c.261), the "Stormwater Management and Combined Sewer Overflow Abatement Bond Act of 1989" (P.L.1989, c.181), the "Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992" (P.L.1992, c.88), the "Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003" (P.L.2003, c.162), the Federal Safe Drinking Water Act, and any amendatory and supplementary acts thereto, and State law.

b. The department is authorized to make zero interest and principal forgiveness financing loans to or on behalf of the project sponsors for the environmental infrastructure projects listed in subsection a. of section 2 and subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), for clean water projects, up to the individual amounts indicated and in the priority stated, to the extent there are sufficient eligible project applications, and except that any such amounts may be reduced if a project fails to meet the requirements of section 4 or 5 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), or by the Commissioner of Environmental Protection pursuant to section 7 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), provided:

(1) a maximum of \$3 million, as well as any unallocated funds unspent at the end of State fiscal year 2018 from \$10 million reserved in State fiscal year 2018 for Barnegat Bay Watershed projects, in principal forgiveness loans shall be issued to finance Barnegat Bay Watershed environmental infrastructure projects as provided in subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), wherein principal forgiveness shall be a minimum of 25 percent of the fund loan amount per project sponsor in an amount not to exceed \$2 million of principal forgiveness per project sponsor;

(2) a maximum of \$30 million shall be issued to finance clean water redevelopment projects as provided in subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L. , c. (pending before the Legislature as this bill);

- (3) to the extent funds are available from funds appropriated but not allocated in State fiscal year 2018 from \$30 million reserved in State fiscal year 2018 for combined sewer overflow projects, principal forgiveness loans shall be issued as provided in subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L. , c. (pending before the Legislature as this bill), to communities in combined sewer overflow sewersheds sponsoring construction projects that reduce or eliminate excessive infiltration/inflow or extraneous flows wherein principal forgiveness loans shall not exceed \$5 million per borrower subject to the availability of funds wherein 50 percent of the principal of the fund loan shall be forgiven, 25 percent of the loan shall be a zero interest rate fund loan, and 25 percent of the loan shall be a trust market rate loan. A 100 percent DEP interest-free loan will be issued to borrowers for amounts in excess of the cap;
 - (4) a maximum of \$6 million, as well as any appropriated but unallocated funds designated in State fiscal year 2018 for combined sewer overflow projects, in principal forgiveness loans shall be issued as provided in subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L. , c. (pending before the Legislature as this bill), for combined sewer overflow abatement projects, including projects that use practices that restore natural hydrology through infiltration, evapotranspiration, or the usage or harvesting of stormwater, wherein principal forgiveness loans shall not exceed \$2 million per borrower subject to the availability of funds, and wherein 50 percent of the principal of the fund loan shall be forgiven, 25 percent of the loan shall be a zero interest rate fund loan, and 25 percent of the loan shall be a trust market rate loan subject to the availability of funds. A 100 percent DEP interest-free loan will be issued to borrowers for amounts in excess of the cap;
 - (5) to the extent funds are available, a maximum of \$1 million in principal forgiveness loans shall be issued to finance clean water environmental infrastructure projects as provided in subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), for systems serving populations of up to 10,000 residents for the development of asset management plans wherein principal forgiveness shall be 100 percent of the fund loan amount per project in an amount not to exceed \$100,000 per project sponsor subject to the availability of funds; and
 - (6) those projects listed in subsection a. of section 2 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), and subsection a. of section 3 of [this act]

- 1 P.L.2018, c.85, as amended by P.L. , c. (pending before the
- 2 <u>Legislature as this bill</u>), that were previously identified in P.L.2017,
- 3 c.143, as amended by P.L.2017, c.326, are granted continued
- 4 priority status and shall be subject to the provisions of P.L.2017,
- 5 c.143, as amended by P.L.2017, c.326 provided such projects
- 6 receive short-term funding prior to June 30, 2019.

- c. The department is authorized to make zero interest and principal forgiveness financing loans to or on behalf of the project sponsors for the environmental infrastructure projects listed in subsection b. of section 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), for drinking water projects, up to the individual amounts indicated and in the priority stated, provided:
- (1) a maximum of 30 percent of the 2018 Drinking Water State Revolving Fund capitalization grant not to exceed \$5 million may be issued as provided in subsection b. of section 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), for drinking water systems, as follows:
- (a) up to \$4 million of Drinking Water State Revolving Fund loans shall be available for drinking water systems serving populations of up to 10,000 residents wherein principal forgiveness shall not exceed \$500,000 in the aggregate and shall not exceed 50 percent of the total loan amount per project sponsor in an amount not to exceed \$1 million per project sponsor.

Loans for drinking water systems serving 500 or fewer residents shall be given the highest priority, followed by systems serving between 501 to 10,000 residents;

- (b) a maximum of \$1 million in principal forgiveness loans shall be issued to drinking water systems serving populations of up to 10,000 residents for the development of asset management plans wherein principal forgiveness shall be 100 percent of the fund loan amount per project in an amount not to exceed \$100,000 per project sponsor subject to the availability of funds; and
- (c) a maximum of \$30 million of principal forgiveness for drinking water systems serving communities with a median household income less than the median household income for the county in which they are located for lead line replacement wherein principal forgiveness shall not exceed \$1 million of principal forgiveness per water system project.

Loans may be made pursuant to this subsection to the extent there are sufficient eligible project applications and as required or will be required for the award of the capitalization grants made available to the State for drinking water projects pursuant to the Federal Safe Drinking Water Act. Any such amounts may be reduced by the Commissioner of Environmental Protection pursuant to section 7 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), or if a project fails to meet the requirements of section 4 or 5 of [this act] P.L.2018,

- 1 <u>c.85</u>, as amended by P.L. , c. (pending before the Legislature as this bill).
- 3 (2) Those projects listed in subsection a. of section 3 of **[**this
- 4 act P.L.2018, c.85, as amended by P.L., c. (pending before the
- 5 <u>Legislature as this bill)</u>, and subsection b. of section 3 of [this act]
- 6 P.L.2018, c.85, as amended by P.L. , c. (pending before the
- 7 <u>Legislature as this bill)</u>, that were previously identified in P.L.2017,
- 8 c.143, as amended by P.L.2017, c.326, are granted continued
- 9 priority status and shall be subject to the provisions of P.L.2017,
- 10 c.143, as amended by P.L.2017, c.326, provided such projects
- receive short-term funding prior to June 30, **[**2018**]** 2019.
- d. The department is authorized to make zero interest and
- principal forgiveness financing loans to or on behalf of the project
- 14 sponsors for the environmental infrastructure projects listed in
- sections 2 and 3 of [this act] P.L.2018, c.85, as amended by P.L. ,
- 16 c. (pending before the Legislature as this bill), under the same
- terms, conditions and requirements as set forth in this section from
- 18 any unexpended balances of the amounts appropriated pursuant to
- 19 section 1 of P.L.1987, c.200, section 2 of P.L.1988, c.133, section 1
- 20 of P.L.1989, c.189, section 1 of P.L.1990, c.99, section 1 of
- 21 P.L.1991, c.325, section 1 of P.L.1992, c.38, section 1 of P.L.1993,
- 22 c.193, section 1 of P.L.1994, c.106, section 1 of P.L.1995, c.219,
- 23 section 1 of P.L.1996, c.85, section 1 of P.L.1997, c.221, section 2
- of P.L.1998, c.84, section 2 of P.L.1999, c.174, section 2 of P.L.2000, c.92, sections 1 and 2 of P.L.2001, c.222, sections 1 and
- 26 2 of P.L.2002, c.70, sections 1 and 2 of P.L.2003, c.158, sections 1
- 27 and 2 of P.L.2004, c.109, sections 1 and 2 of P.L.2005, c.196,
- 28 sections 1 and 2 of P.L.2006, c.68, sections 1 and 2 of P.L.2007,
- 29 c.139, sections 1 and 2 of P.L.2008, c.68, sections 1 and 2 of
- 30 P.L.2009, c.102, sections 1 and 2 of P.L.2010, c.63, sections 1 and
- 31 2 of P.L.2011, c.93, sections 1 and 2 of P.L.2012, c.43, sections 1
- 32 and 2 of P.L.2013, c.95, sections 1 and 2 of P.L.2014, c.25, sections
- 33 1 and 2 of P.L.2015, c.108, [and] sections 1 and 2 of P.L.2016,
- c.32, as amended by P.L.2017, c.14, [and] sections 1 and 2 of
- 35 P.L.2017, c.143, as amended by P.L.2017, c.326, and sections 1 and
- 2 of P.L.2018, c.85, as amended by P.L., c. (pending before the
- 37 <u>Legislature as this bill)</u>, including amounts resulting from the low
- bid and final building cost reductions authorized pursuant to section
- 39 6 of P.L.1987, c.200, section 7 of P.L.1988, c.133, section 6 of
- 40 P.L.1989, c.189, section 6 of P.L.1990, c.99, section 6 of P.L.1991,
- 41 c.325, section 6 of P.L.1992, c.38, section 6 of P.L.1993, c.193,
- 42 section 6 of P.L.1994, c.106, section 6 of P.L.1995, c.219, section 6
- 43 of P.L.1996, c.85, section 6 of P.L.1997, c.221, section 7 of
- 44 P.L.1998, c.84, section 6 of P.L.1999, c.174, section 6 of P.L.2000,
- 45 c.92, section 6 of P.L.2001, c.222, section 6 of P.L.2002, c.70,
- 46 section 6 of P.L.2003, c.158, section 6 of P.L.2004, c.109, section 6
- 47 of P.L.2005, c.196, section 6 of P.L.2006, c.68, section 6 of

- 1 P.L.2007, c.139, section 6 of P.L.2008, c.68, section 7 of P.L.2009,
- 2 c.102, section 6 of P.L.2010, c.63, section 6 of P.L.2011, c.93,
- 3 section 6 of P.L.2012, c.43, section 6 of P.L.2013, c.95, section [6]
- 4 <u>7</u> of P.L.2014, c.25, section [6] <u>7</u> of P.L.2015, c.108, [and] section
- 5 **[6]** 7 of P.L.2016, c.32, as amended by P.L.2017, c.14, [and]
- 6 section **[**6**]** <u>7</u> of P.L.2017, c.143 as amended by P.L.2017, c.326,
- 7 and section 7 of P.L.2018, c.85, as amended by P.L. , c. (pending
- 8 <u>before the Legislature as this bill)</u>, and from any repayments of
- 9 loans and interest from the Clean Water State Revolving Fund, the
- 10 "Wastewater Treatment Fund," the "Water Supply Fund," the "1992
- 11 Wastewater Treatment Fund," the "2003 Water Resources and
- 12 Wastewater Treatment Fund," and amounts deposited therein during
- 13 State fiscal year 2017 and State fiscal year 2018 pursuant to the
- provisions of section 16 of P.L.1985, c.329, and section 2 of
- P.L.2009, c.77 and any amendatory and supplementary acts thereto, including any Clean Water State Revolving Fund Accounts
- contained within the "Wastewater Treatment Fund," and from any
- 18 repayment of loans and interest from the Drinking Water State
- 19 Revolving Fund.

31

- e. The department is authorized to make zero interest and
- 21 principal forgiveness Sandy financing loans to or on behalf of the
- 22 project sponsors for the Sandy environmental infrastructure projects
- 23 listed in subsection a. of section 3 of [this act] P.L.2018, c.85, as
- 24 <u>amended by P.L.</u>, c. (pending before the Legislature as this bill),
- 25 for clean water projects and subsection b. of section 3 of [this act]
- 26 P.L.2018, c.85, as amended by P.L., c. (pending before the
- 27 <u>Legislature as this bill)</u>, for drinking water projects, in a manner
- 28 consistent with the Federal Disaster Relief Appropriations Act, up
- 29 to the individual amounts indicated, except that any such amount
- 30 may be reduced by the Commissioner of Environmental Protection
- 32 P.L., c. (pending before the Legislature as this bill), or if a

pursuant to section 7 of [this act] P.L.2018, c.85, as amended by

- project fails to meet the requirements of section 4, 5, or 7 of [this]
- act P.L.2018, c.85, as amended by P.L., c. (pending before the
- 35 Legislature as this bill), provided a maximum of \$300 million shall
- 36 be provided for Sandy financing loans for clean water and drinking
- 37 water projects to provide financial assistance to communities
- 38 affected by the Storm Sandy, and for projects whose purpose is to
- reduce flood damage risk and vulnerability or to enhance resiliency
- 40 to rapid hydrologic change or a natural disaster.
- f. For the purposes of [this act] P.L.2018, c.85, as amended by
- 42 P.L., c. (pending before the Legislature as this bill):
- 43 "Base financing" means zero interest loans provided by the
- 44 Department of Environmental Protection from moneys made
- available for the purposes of [this act] P.L.2018, c.85, as amended
- 46 by P.L., c. (pending before the Legislature as this bill), from any
- source other than funds received pursuant to the Federal Disaster

Relief Appropriations Act, related State matching funds, and interest earned thereon.

"Federal Disaster Relief Appropriations Act" means the "Disaster Relief Appropriations of 2013" (Pub.L.113-2), and any amendatory and supplementary acts thereto.

"Sandy financing" or "Sandy funding" means grants, zero interest loans or principal forgiveness loans provided by the Department of Environmental Protection from funds made available to the State for clean water projects, clean water project match, drinking water projects or drinking water project match pursuant to the Federal Disaster Relief Appropriations Act.

(cf: P.L.2018, c.85, s.1)

2. Section 2 of P.L.2018, c.85 is amended to read as follows:

2. a. (1) The department is authorized to expend funds for the purpose of making supplemental zero interest loans to or on behalf of the project sponsors listed below for the following clean water environmental infrastructure projects:

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Burlington Township	S340712-14-1	\$150,000	\$200,000
[Manasquan Borough	S340450-01-1	\$1,582,500	\$2,110,000
Mendham Township	S340477-01-1	\$1,615,500	\$2,154,000]
North Hudson SA	S340952-19-1	\$525,000	\$700,000
Warren Township SA	S340964-02-1	\$262,500	\$350,000
Total Projects: [5] 3		[\$4,135,500] \$937,500	[\$5,514,000] \$1,250,000

(2) The loans authorized in this subsection shall be made for the difference between the allowable loan amounts required by these projects based upon final building costs pursuant to section 7 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), and the loan amounts certified by the Commissioner of Environmental Protection in State fiscal years 2016, 2017, and 2018 and for increased allowable costs as defined and determined in accordance with the rules and regulations adopted by the department pursuant to section 4 of P.L.1985, c.329. The loans authorized in this subsection shall be made to or on

- behalf of the project sponsors listed, up to the individual amounts indicated and in the priority stated, to the extent sufficient funds are available, except as a project fails to meet the requirements of section 4, 5, or 7 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill).
 - (3) The zero interest loans for the projects authorized in this subsection shall have priority over projects listed in subsection a. of section 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill).
 - b. The Department of Environmental Protection is authorized to adjust the allowable Department of Environmental Protection loan amount for projects authorized in this section to between 25 percent and 75 percent of the total allowable loan amount.

14 (cf: P.L.2018, c.85, s.2)

- 3. Section 3 of P.L.2018, c.85 is amended to read as follows:
- 3. a. The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2019 Clean Water Project Eligibility List":

Project Sponsor	Project Number	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Aberdeen Township	S340869-02	\$6,750,000	\$9,000,000
[Atlantic County UA	S340809-23	\$11,040,000	\$11,040,000]
Atlantic County UA	S340809-24	\$600,000	\$800,000
Atlantic County UA	S340809-25	\$17,520,000	\$17,520,000
Atlantic County UA	S340809-26	\$1,500,000	\$1,500,000]
Atlantic County UA	S340809-28	\$3,075,000	\$4,100,000
[Bayshore RSA	S340697-05	\$9,750,000	\$13,000,000]
Bayshore RSA	S340697-06	\$11,325,000	\$15,100,000
Bradley Beach Borough	S340472-01	\$2,025,000	\$2,700,000
Bradley Beach Borough	S340472-02	\$1,942,538	\$2,590,050
Burlington City	S340140-01	\$1,275,000	\$1,700,000

Burlington			
Township	<u>\$340712-16</u>	<u>\$720,000</u>	<u>\$960,000</u>
Camden City	S340366-16	\$1,350,000	\$1,800,000
Camden			
County MUA	S340640-17	\$2,625,000	\$3,500,000
[Carteret	S340939-09	\$11,257,500	\$15,010,000]
Borough	33 10737 07	Ψ11,237,300	Ψ13,010,000
Cinnaminson SA	S340170-08	\$870,000	\$1,160,000
Elizabeth City	S340942-19	\$5,775,000	\$7,700,000
Franklin		, ,	, ,
Township SA	<u>\$34-0839-07</u>	<u>\$1,470,000</u>	<u>\$1,960,000</u>
Glen Ridge	221001102	4004.00=	.
Borough	S340861-03	\$334,387	\$445,849
Gloucester	0240050 00	¢1.575.000	¢2 100 000
City	S340958-08	\$1,575,000	\$2,100,000
Gloucester			
County	S342016-03	\$10,419,930	\$13 802 240
<u>Improvement</u>	3342010-03	\$10,419,930	\$13,893,240
<u>Authority</u>			
Gloucester	S340902-14	\$33,750,000	\$45,000,000
County UA	3340902-14	\$33,730,000	\$45,000,000
[Gloucester	S340902-16	\$1,575,000	\$2,100,000
County UA	3340902-10	\$1,373,000	\$2,100,000
Hightstown	S340915-05	\$1,050,000	\$1,400,000]
Borough	3340713-03	Ψ1,030,000	\$1, 4 00,000 1
Gloucester	S340364-15	\$1,087,500	\$1,450,000
Township			
Hoboken City	S340635-07	\$3,750,000	\$5,000,000
Howell	S344040-02	\$11,010,000	\$14,680,000
Township			
Jersey City	S340928-30	\$2,033,250	\$2,711,000
Jersey City	S340928-15	\$30,750,000	\$41,000,000
MUA			
Jersey City	S340928-19	\$5,625,000	\$7,500,000
MUA			
Jersey City	S340928-20	\$5,400,000	\$7,200,000
MUA Jorgan City			
Jersey City MUA	S340928-22	\$562,500	\$750,000
Jersey City	5240029 29	\$2,025,000	\$2,700,000
MUA	<u>S340928-28</u>	\$2,025,000	\$2,700,000
Kearny MUA	S340259-07	\$4,875,000	\$6,500,000
[Little Egg	S340579-02	\$3,187,500	\$4,250,000]
Harbor MUA	55-0519-02	Ψ3,107,300	Ψ+,230,000

Little Egg			
Little Egg	5244060 02	\$2 197 500	\$4.250,000
<u>Harbor</u>	<u>S344060-02</u>	\$3,187,500	\$4,250,000
Township			
Manasquan	S340911-03	\$495,000	\$660,000
River RSA			
[Mendham	S340477-01	\$1,875,000	\$2,500,000
Township		, ,	, ,
Millville City	S340921-07	\$9,000,000	\$12,000,000]
<u>Manchester</u>	<u>S340650-08</u>	\$2,250,000	\$3,000,000
<u>Township</u>	<u>B3 10030 00</u>	φ2,230,000	<u>φ3,000,000</u>
<u>Middlesex</u>	S340698-02	\$1,926,563	\$2,568,750
<u>Borough</u>	<u>5540070 02</u>	φ1,720,303	Ψ2,300,730
Middlesex	S340699-13	\$26,406,467	\$35,208,623
County UA	<u>5540077-15</u>	φ20,400,407	<u>φ33,200,023</u>
Montclair	S340837-04	\$1,275,000	\$1,700,000
Township	3340837-04	\$1,273,000	\$1,700,000
<u>Montclair</u>	S340837-03	\$1.275.000	\$1,700,000
<u>Township</u>	3340637-03	\$1,275,000	\$1,700,000
Newark City	S340815-22	\$7,875,000	\$10,500,000
North Bergen	5240652 14	\$17.250.000	\$22,000,000
MUA	S340652-14	\$17,250,000	\$23,000,000
North Hudson	6240052 22	¢12.500.000	¢10,000,000
SA	S340952-22	\$13,500,000	\$18,000,000
North Hudson	6240052 22	Ф2 225 000	Φ2 100 000
SA	S340952-23	\$2,325,000	\$3,100,000
North Hudson	6240052 29	¢1 275 000	¢1.700.000
SA	S340952-28	\$1,275,000	\$1,700,000
Northwest			
Bergen County	S340700-13	\$3,900,000	\$5,200,000
UA			
Northwest			
Bergen County	S340700-15	\$5,250,000	\$7,000,000
<u>UA</u>			
Northwest			
Bergen County	S340700-16	\$3,288,750	\$4,385,000
<u>UA</u>			
Northwest			
Bergen County	S340700-18	\$1,500,000	\$2,000,000
<u>UA</u>			
Ocean County	S344080-09	\$975,000	\$1,300,000
Ocean County	S344080-10	\$187,500	\$250,000
Ocean County	S344080-11	\$262,500	\$350,000
Ocean County		фа 222 272	Ф. 424.000
<u>UA</u>	<u>S340372-58</u>	\$3,323,250	\$4,431,000
Ocean County	6246272.70	Φ5 217 440	Φ.C. 0.7. 5.0.5
UA	<u>S340372-59</u>	\$5,217,440	\$6,956,586
	l	1	<u>I</u>

	1	1	1
Ocean	S340750-13	\$412,500	\$550,000
Township SA		,	,
Ocean	S340750-14	\$1,875,000	\$2,500,000
Township SA	5540750 14	Ψ1,075,000	Ψ2,300,000
Ocean	6240750 12	¢2.075.000	¢4 100 000
Township SA	<u>\$340750-12</u>	\$3,075,000	\$4,100,000
Old Bridge			
MUA	<u>S340945-14</u>	\$2,467,500	\$3,290,000
Passaic Valley			
1	S340689-25	\$6,825,000	\$9,100,000
SC			
Passaic Valley	S340689-30	\$2,775,000	\$3,700,000
SC		, -, ,	, , , , , , , , ,
Passaic Valley	S340689-31	\$3,000,000	\$4,000,000
SC	3340009-31	\$5,000,000	\$4,000,000
Passaic Valley	0240500 22	Φ7 500 000	ф10,000,000
SC	S340689-32	\$7,500,000	\$10,000,000
Passaic Valley			
SC valley	S340689-34	\$2,175,000	\$2,900,000
Passaic Valley	S340689-38	\$15,750,000	\$21,000,000
SC		, ,	, ,
Passaic Valley	S340689-39	\$3,612,000	\$4,816,000
SC	3340007-37	ψ3,012,000	Ψ+,010,000
Passaic Valley	6245200 02	¢1.500.000	#2 000 000
SC	<u>\$345200-02</u>	\$1,500,000	\$2,000,000
Paulsboro			
Borough	S340164-01	\$2,062,500	\$2,750,000
Perth Amboy			
_	S340435-11	\$4,844,513	\$6,459,351
City			
Perth Amboy	S340435-13	\$637,500	\$850,000
City		1	, ,
Perth Amboy	\$340435 18	\$1 327 500	\$1,770,000
<u>City</u>	<u>S340435-18</u>	\$1,327,500	Ψ1,770,000
Plumsted	0240607.02	ф 20.25 0.000	Φ 27 000 000
Township	S340607-03	\$20,250,000	\$27,000,000
Point Pleasant			
Beach	S344190-02	\$2,250,000	\$3,000,000
	55-7170-02	Ψ2,230,000	Ψ2,000,000
Borough			
Rahway	S340547-15	\$1,941,389	\$2,588,518
Valley SA		, ,	·
Rahway	S340547-14	\$7,125,000	\$9,500,000
Valley SA	55-05-7-14	Ψ1,123,000	Ψ2,500,000
Raritan			
Township	S340485-12	\$3,262,500	\$4,350,000
MUA			
Riverdale			
Borough	S340729-02	\$217,342	\$289,789
	0240400 01	¢(20,000	\$0.40.000
Riverside SA	S340490-01	\$630,000	\$840,000

17

	ı		
Rockaway	S340821-06	\$6,000,000	\$8,000,000
Valley RSA			
Rockaway	S340821-07	\$6,150,000	\$8,200,000
Valley RSA		, ,	, ,
Rockaway	S340821-09	\$1,650,000	\$2,200,000
Valley RSA	83 10021 09	Ψ1,020,000	Ψ2,200,000
Roxbury	S340381-07	\$5,625,000	\$7,500,000
Township	3340361-07	\$5,025,000	\$7,500,000
Ship Bottom	0240211 02	ф2 525 000	¢4.700.000
Borough	S340311-03	\$3,525,000	\$4,700,000
Somerset			
Raritan Valley	S340801-08	\$12,375,000	\$16,500,000
SA			
Somerville			
Borough	S342013-01	\$8,625,000	\$11,500,000
Stafford			
Township	S344100-03	\$4,200,000	\$5,600,000
Stony Brook	6240400 10	Ф2 027 000	Φ5 100 000
RSA	S340400-10	\$3,825,000	\$5,100,000
[Sussex	G242000 05	фо. 750, 000	¢12 000 000
County MUA	S342008-05	\$9,750,000	\$13,000,000
Ventnor City	S340667-03	\$1,500,000	\$2,000,000]
Tuckerton	G2 4002 4 02	Ф1.052.005	Φ1 40 5 2 0 c
Borough	<u>S340034-03</u>	\$1,053,905	<u>\$1,405,206</u>
West Deptford	6240047.07	Φ1 0 < 1 2 5 0	\$1,415,000
Township	<u>S340947-05</u>	\$1,061,250	
Western	6240120.06	¢0.075.000	¢12 100 000
Monmouth UA	<u>S340128-06</u>	\$9,075,000	\$12,100,000
Total		[\$389,100,418]	[\$508,780,557]
Projects: [70]		\$432,145,474	\$570,353,962
<u>84</u>			
	L	I	

1 2

b. The following environmental infrastructure projects shall be known and may be cited as the "Storm Sandy and State Fiscal Year 2019 Drinking Water Project Eligibility List":

4 5

Project Sponsor	Project No.	Estimated Allowable DEP Loan Amount	Estimated Total Allowable Loan Amount
Aberdeen Township	1330004-001	\$2,925,000	\$3,900,000
Bellmawr Borough	0404001-006	\$1,725,000	\$2,300,000

Darkalan			
Berkeley	1505004-009	\$1,650,000	\$2,200,000
Township MUA	1303004-009	\$1,650,000	\$2,200,000
Berkeley	1505004 007	\$525,000	ф 7 00 000 Т
Township	1505004-007	\$525,000	\$700,000]
MUA			
Bordentown	0303001-008	\$1,650,000	\$2,200,000
City			, ,
Brick Township	1506001-012	\$4,065,000	\$5,420,000
MUA		, , ,	1-7 -7
Cape May	0502001-004	\$1,650,000	\$2,200,000
City	0302001 001	Ψ1,030,000	Ψ2,200,000
Clinton Town	1005001-008	\$1,125,000	\$1,500,000
Clinton Town	1005001-009	\$900,000	\$1,200,000
Elmer Borough	1702001-001	\$600,000	\$800,000]
Brick Township	1506001 000	\$4.446.570	¢5 000 760
MUA	<u>1506001-009</u>	\$4,446,570	\$5,928,760
Brick Township	1506001 010	Ф070 000	Ф1 160 000
<u>MUA</u>	<u>1506001-010</u>	\$870,000	\$1,160,000
Gloucester City	0414001-022	\$900,000	\$1,200,000
Hampton	1012001 001	Φ1 250 000	Φ1 000 000
Borough	<u>1013001-001</u>	\$1,350,000	\$1,800,000
<u>Hightstown</u>	1104001 010	¢1 221 750	¢1 775 670
Borough	1104001-010	\$1,331,759	\$1,775,678
Hoboken City	0905001-001	\$6,375,000	\$8,500,000
Jackson			
Township	1511001-012	\$8,250,000	\$11,000,000
MUA			
Jackson			
Township	1511001-013	\$15,000,000	\$20,000,000
MUA			
Jackson			
Township	1511001-010	\$6,150,000	\$8,200,000
MUA			
[Lavallette	1515001 001	¢000 250	¢1 221 000
Borough	1515001-001	\$998,250	\$1,331,000
Little Egg	1516001 004	Φ2 250 000	#2 000 000 7
Harbor MUA	1516001-004	\$2,250,000	\$3,000,000]
Jackson			
Township	<u>1511001-011</u>	\$1,200,000	\$1,600,000
MUA	_		
Jersey City	0000001 017	¢2 (01 050	¢2.500.266
MUA	<u>0906001-015</u>	\$2,691,950	\$3,589,266
Jersey City	0000001 010	¢4.545.000	¢c 0c0 000
MUA	<u>0906001-019</u>	\$4,545,000	\$6,060,000
L	l .	I.	1

T 1 1	1	1	
Lakewood	1514002 002	ф1 000 000	φ ₁ 440 000
Township	<u>1514002-003</u>	\$1,080,000	<u>\$1,440,000</u>
MUA			
<u>Little Egg</u>	<u>1516001-500</u>	\$750,000	\$1,000,000
<u>Harbor MUA</u>			1 7 7
Long Beach	1517001-501	\$1,725,000	\$2,300,000
Township	1017001 001	Ψ1,720,000	\$2,500,000
Long Beach	<u>1517001-502</u>	\$8,625,000	\$11,500,000
<u>Township</u>	1317001 302	φ0,023,000	φ11,500,000
Lower			
<u>Township</u>	<u>0505002-003</u>	<u>\$5,192,555</u>	<u>\$6,923,406</u>
<u>MUA</u>			
Manchester	1510005 002	¢4 125 000	¢5 500 000
Township	1518005-002	\$4,125,000	\$5,500,000
Mantua			
Township	0810004-002	\$1,350,000	\$1,800,000
MUA			
Mantua			
Township	0810004-003	\$1,050,000	\$1,400,000
MUA			
[Maple Shade			
Township	0319001-006	\$1,950,000	\$2,600,000
Middlesex			
Water	1225001-026	\$9,750,000	\$13,000,000]
	1223001-020	\$9,730,000	\$13,000,000
Company			
Middlesex Water	1225001 029	\$9,400,000	\$11,200,000
Water	1225001-028	\$8,400,000	\$11,200,000
Company			
Milltown	1212001-005	\$1,350,000	\$1,800,000
Borough			
National Park	0812001-004	\$1,275,000	\$1,700,000
Borough			
Netcong	1428001-007	\$2,775,000	\$3,700,000
Borough		. , -,	. , -,
Netcong	1428001-008	\$825,000	\$1,100,000
Borough	1.2001 000	+-2,000	+1,100,000
Netcong	1428001-009	\$300,000	\$400,000
Borough	1120001-007	Ψ500,000	,
Newark City	0714001-016	\$10,500,000	\$14,000,000
[Newark City	0714001-500	\$3,825,000	\$5,100,000]
Newark City	0714001-018	\$3,600,000	\$4,800,000
NJ American		-	
Water Co., Inc.	1345001-017	\$7,575,000	\$10,100,000
NJ American	• • • • • • • • • • • • • • • • • • • •	0.4.0.000	.
Water Co., Inc.	2004002-013	\$12,000,000	\$16,000,000
NJ American			
Water Co., Inc.	2004002-500	\$27,000,000	\$36,000,000
water Co., IIIc.			

NJ American Water Co., Inc.	1345001-016	\$10,125,000	\$13,500,000
NJ American Water Co., Inc.	2004002-011	\$9,600,000	\$12,800,000]
North Jersey District Water Supply Comm.	1613001-022	\$12,750,000	\$17,000,000
North Jersey District Water Supply Comm.	1613001-025	\$18,000,000	\$24,000,000
Cold Bridge MUA	1613001-033	\$3,075,000	\$4,100,000
Paulsboro Borough	1209002-013	\$3,000,000	\$4,000,000
Pennington Borough	0814001-003	\$2,100,000	\$2,800,000
Rahway City	1108001-002	\$937,500	\$1,250,000
Red Bank Borough	2013001-007	\$13,650,000	\$18,200,000
Saddle Brook Township	1340001-002	\$1,500,000	\$2,000,000
Ship Bottom Borough	0257001-002	\$1,425,000	\$1,900,000
Stafford Township	1528001-002	\$2,812,500	\$3,750,000
Total Projects: 44	1530004-018	\$1,800,000	\$2,400,000
		\$222,263,250	\$296,351,000]
North Jersey District Water Supply Comm.	1613001-033	\$3,075,000	\$4,100,000
Old Bridge MUA	1209002-013	\$3,000,000	\$4,000,000
Paulsboro Borough	0814001-003	\$2,100,000	\$2,800,000
Pennington Borough	1108001-002	\$937,500	\$1,250,000
Red Bank Borough	1340001-002	\$1,500,000	\$2,000,000
Ship Bottom Borough	1528001-002	\$2,812,500	\$3,750,000
Stafford Township	1530004-018	\$1,425,000	\$1,900,000
Tuckerton Borough	1532002-006	\$1,102,613	\$1,470,150
Wall Township	1352003-001	\$1,350,000	\$1,800,000

Wall Township	1352003-002	\$2,775,000	\$3,700,000
Total Projects: 47		\$188,450,447	\$251,267,260

- c. The Department of Environmental Protection is authorized to adjust the allowable Department of Environmental Protection loan amount for projects authorized in this section to between 25 percent and 75 percent of the total allowable loan amount and loan amounts to less than 25 percent to the extent the priority ranking and an insufficiency of funding prevents the department from making the loan.
- 9 (cf: P.L.2018, c.85, s.3)

- 4. Section 4 of P.L.2018, c.85 is amended to read as follows:
- 4. Any financing loan made by the Department of Environmental Protection pursuant to [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), shall be subject to the following requirements:
- a. The Commissioner Environmental Protection has certified that the project is in compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and any rules and regulations adopted pursuant thereto;
- b. A loan for an environmental infrastructure project listed in section 2 or 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), shall be subject to the terms and conditions of the financing program year in which the trust issued an interim financing program fund loan for such project or the terms and conditions of the state fiscal year 2019 financing program in the absence of an interim financing program fund loan.
- c. The estimated Department of Environmental Protection allowable loan amount shall not exceed 75 percent of the total allowable loan amount of the environmental infrastructure facility for projects listed in subsections a. and b. of section 2 [of this act,] and in subsections a. and b. of section 3 of [this act] P.L.2018, c.85, as amended by P.L. , c. (pending before the Legislature as this bill), provided that:
- (1) for clean water project and drinking water project loans to (a) municipalities that do not satisfy the New Jersey Infrastructure Bank credit policy but are subject to State financial supervision and oversight pursuant to the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), or (b) municipal, county, or regional sewerage authorities, or utilities authorities, that do not satisfy the New Jersey Infrastructure Bank credit policy but where the municipal participant through its service agreement with the authority or utility is under State financial supervision and

- oversight pursuant to the "Local Government Supervision Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), and the repayment obligation of the authority or utility is secured by the full faith and credit of the participating municipality pursuant to the service agreement, the Department of Environmental Protection allowable loan amount shall be up to 100 percent of the total allowable loan amount not to exceed a total of \$10 million for all such loans;
 - (2) for clean water and drinking water loans to municipalities receiving funding under the United States Department of Housing and Urban Development Community Development Block Grant Disaster Recovery Program (CDBG-DR) the Department of Environmental Protection allowable loan amount shall be up to 100 percent of the total allowable loan amount; and
 - (3) for loans to communities in a combined sewer overflow sewershed sponsoring construction projects that reduce or eliminate excessive infiltration, inflow, or extraneous flows, the Department of Environmental Protection allowable loan amount shall be up to 100 percent of the total allowable loan amount;
 - d. With the exception of paragraphs (1) through (3) of subsection c. of this section, the loan shall be conditioned upon approval of a loan from the New Jersey Infrastructure Bank pursuant to P.L.2018, c.84, as amended by P.L., c. (pending before the Legislature as Senate Bill No. and Assembly Bill No.);
 - e. The loan shall be repaid within a period not to exceed 30 years, or 45 years for combined sewer overflow abatement projects, of the making of the loan; and
 - f. The loan shall be subject to any other terms and conditions as may be established by the commissioner and approved by the State Treasurer, which may include, notwithstanding any other provision of law to the contrary, subordination of a loan authorized in [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), to loans made by the New Jersey
- 34 Infrastructure Bank pursuant to [P.L., c. (pending before the
- 35 Legislature as Senate Bill No. 2647 of 2018 and Assembly Bill
- 36 No. of 2018) P.L.2018, c.84, as amended by P.L.

c. (pending before the Legislature as Senate Bill No. and

- 38 Assembly Bill No.), or to administrative fees payable to the trust
- 39 pursuant to subsection o. of section 5 of P.L.1985, c.334
- 40 (C.58:11B-5).

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

37

- 41 (cf: P.L.2018, c.85, s.4)
- 5. Section 5 of P.L.2018, c.85 is amended to read as follows:
- 5. a. Any Sandy financing loan made by the Department of
- Environmental Protection pursuant to [this act] P.L.2018, c.85, as
- 46 <u>amended by P.L.</u>, c. (pending before the Legislature as this bill),
- shall be subject to the following requirements:

(1) The commissioner has certified that the project is in compliance with the provisions of Title X, Chapter 7 of the Federal "Disaster Relief Appropriations Act of 2013" (Pub.L.113-2), and any amendatory and supplementary acts thereto; and

- (2) The commissioner has certified that the project is in compliance with the provisions of P.L.1977, c.224, P.L.1985, c.329, P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or P.L.2003, c.162, and any rules and regulations adopted pursuant thereto.
- b. The total amount of Sandy financing loans received by any project sponsor for drinking water projects listed in subsection b. of section 3 of [this act] P.L.2018, c.85, as amended by P.L. c. (pending before the Legislature as this bill), shall not exceed \$15 million of which not more than \$4.5 million of the principal may be forgiven. In the event a project sponsor's individual loan needs exceed \$15 million, the borrower may select which of its projects it will seek funding pursuant to this section, and the borrower may seek a loan for excess costs in a base financing loan. In the event that additional Sandy funding becomes available because project sponsors do not close on loans or the project sponsors loan requests are less than originally applied for, the loan not to exceed amount may be increased to the extent needed to assure full utilization of Sandy funding for drinking water projects, provided:
 - (1) the loan shall be repaid within a period not to exceed 30 years of the making of the loan;
 - (2) the loan shall be conditioned upon approval of a loan from the New Jersey Infrastructure Bank pursuant to P.L.2018, c.84, as amended by P.L., c. (pending before the Legislature as Senate Bill No. and Assembly Bill No.), prior to June 30, 2019; and
 - (3) the loan shall be subject to any other terms and conditions as may be established by the commissioner and approved by the State Treasurer, which may include, notwithstanding any other provision of law to the contrary, subordination of a loan authorized in [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), to loans made by the trust pursuant to P.L.2018, c.84, as amended by P.L., c. (pending before the Legislature as Senate Bill No. and Assembly Bill No.), prior to June 30, 2019, or to administrative fees payable to the trust pursuant to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).
- 41 (cf: P.L.2018, c.85, s.5)
- 6. Section 6 of P.L.2018, c.85 is amended to read as follows:
 - 6. The eligibility lists and authorization for the making of loans pursuant to sections 2 and 3 of [this act] P.L.2018, c.85, as amended by P.L., c. (pending before the Legislature as this bill), shall expire on July 1, 2019, and any project sponsor which has not executed and delivered a loan agreement with the department for a

- loan authorized in [this act] P.L.2018, c.85, as amended by P.L. ,
- 2 <u>c. (pending before the Legislature as this bill),</u> shall no longer be
- 3 entitled to that loan.
- 4 (cf: P.L.2018, c.85, s.6)

- 7. Section 7 of P.L.2018, c.85 is amended to read as follows:
- 7. The Commissioner of Environmental Protection is 8 authorized to reduce or increase the individual amount of loan funds
- 9 made available to or on behalf of project sponsors pursuant to
- sections 2 and 3 of [this act] P.L.2018, c.85, as amended by P.L.,
- 11 c. (pending before the Legislature as this bill), based upon final or
- 12 low bid building costs defined in and determined in accordance with
- 13 rules and regulations adopted by the commissioner pursuant to
- 14 section 4 of P.L.1985, c.329, section 2 of P.L.1999, c.362
- 15 (C.58:12A-12.2), or section 5 of P.L.1981, c.261, provided that the
- total loan amount does not exceed the estimated total allowable loan
- 17 amount. The commissioner is authorized to reduce or increase the
- individual amount of loan funds made available to or on behalf of
- project sponsors pursuant to sections 2 and 3 of [this act] P.L.2018,
- 20 c.85, as amended by P.L., c. (pending before the Legislature as
- 21 this bill), in an amount not to exceed 10 percent of the total
- 22 allowable loan amount based upon additional project costs to
- 23 comply with the Department of Environmental Protection's
- 24 guidance for asset management, emergency response, flood
- 25 protection, and auxiliary power.
- 26 (cf: P.L.2018, c.85, s.7)

2728

- 8. Section 8 of P.L.2018, c.85 is amended to read as follows:
- 8. The expenditure of the funds appropriated by [this act]
- 30 P.L.2018, c.85, as amended by P.L., c. (pending before the
- 31 <u>Legislature as this bill)</u>, is subject to the provisions and conditions
- 32 of P.L.1977, c.224, P.L.1085, c.302, P.L.1985, c.329, P.L.1989,
- 33 c.181, P.L.1992, c.88, P.L.1997, c.223, P.L.1997, c.225 or
- 34 P.L.2003, c.162, and the rules and regulations adopted by the
- 35 Commissioner of Environmental Protection pursuant thereto, and
- 36 the provisions of the Federal Disaster Relief Appropriations Act,
- 37 the Federal Clean Water Act or the Federal Safe Drinking Water
- 38 Act, and any amendatory and supplementary acts thereto, as
- 39 appropriate.
- 40 (cf: P.L.2018, c.85, s.8)

- 42 9. Section 10 of P.L.2018, c85 is amended to read as follows:
- 43 10. a. Prior to repayment to the Clean Water State Revolving
- 44 Fund pursuant to sections 1 and 2 of P.L.2009, c.77 and any
- 45 amendatory and supplementary acts thereto, prior to repayment to
- the "Wastewater Treatment Fund" pursuant to the provisions of section 16 of P.L.1985, c.329, prior to repayment to the "1992"
- 48 Wastewater Treatment Fund" pursuant to the provisions of section

1 28 of P.L.1992, c.88, prior to repayment to the Drinking Water 2 State Revolving Fund, prior to repayment to the "Stormwater 3 Management and Combined Sewer Overflow Abatement Fund" 4 pursuant to the provisions of section 15 of P.L.1989, c.181, prior to 5 repayment to the "2003 Water Resources and Wastewater 6 Treatment Fund" pursuant to the provisions of section 20 of 7 P.L.2003, c.162, or prior to repayment to the "Water Supply Fund" 8 pursuant to the provisions of section 15 of P.L.1981, c.261, 9 repayments of loans made pursuant to these acts may be utilized by 10 the New Jersey Infrastructure Bank established pursuant to 11 P.L.1985, c.334 (C.58:11B-1 et seq.), as amended and 12 supplemented by P.L.1997, c.224, under terms and conditions 13 established by the commissioner and trust, and approved by the 14 State Treasurer, and consistent with the provisions of P.L.1985, c.334 (C.58:11B-1 et seq.) and federal tax, environmental or 15 16 securities law, to the extent necessary to secure repayment of trust 17 bonds issued to finance loans approved pursuant to P.L.2018, c.84. 18 as amended by P.L., c. (pending before the Legislature as 19 Senate Bill No. and Assembly Bill No.), and to secure the 20 administrative fees payable to the trust pursuant to subsection o. of 21 section 5 of P.L.1985, c.334 (C.58:11B-5) by the project sponsors 22 receiving trust loans. b. Prior to repayment to the Clean Water State Revolving Fund pursuant to section 1 and 2 of P.L. 2009, c.77 and any amendatory and supplementary acts thereto, prior to repayment to the "Wastewater Treatment Fund" pursuant to the provisions of section

23 24 25 26 27 16 of P.L.1985, c.329, prior to repayment to the "1992 Wastewater 28 Treatment Fund" pursuant to the provisions of section 28 of 29 P.L.1992, c.88, prior to repayment to the "Water Supply Fund" 30 pursuant to the provisions of section 15 of P.L.1981, c.261, prior to 31 repayment to the Drinking Water State Revolving Fund, prior to 32 repayment to the "2003 Water Resources and Wastewater Treatment Fund" pursuant to the provisions of section 20 of 33 34 P.L.2003, c.162, or prior to repayment to the "Stormwater Management and Combined Sewer Overflow Abatement Fund" 35 36 pursuant to the provisions of section 15 of P.L.1989, c.181, the trust 37 is further authorized to utilize repayments of loans made pursuant to 38 P.L.1989, c.189, P.L.1990, c.99, P.L.1991, c.325, P.L.1992, c.38, 39 P.L.1993, c.193, P.L.1994, c.106, P.L.1995, c.219, P.L.1996, c.85, 40 P.L.1997, c.221, P.L.1998, c.84, P.L.1999, c.174, P.L.2000, c.92, 41 P.L.2001, c.222, P.L.2002, c.70, P.L.2003, c.158, P.L.2004, c.109, 42 P.L.2005, c.196, P.L.2006, c.68, P.L.2007, c.139, P.L.2008, c.68, 43 P.L.2009, c.102, P.L.2010, c.63, P.L.2011, c.93, P.L.2012, c.43, 44 P.L.2013, c.95, P.L.2014, c.25, P.L.2015, c.108, P.L.2016, c.32, as 45 amended by P.L.2017, c.14, P.L.2017, c.143, as amended by 46 P.L.2017, c.326, or P.L.2018, [c.84] c.85, as amended by P.L., c. 47 (pending before the Legislature as this bill), to secure repayment of 48 trust bonds issued to finance loans approved pursuant to P.L.1995,

- 1 c.218, P.L.1996, c.87, P.L.1997, c.222, P.L.1998, c.85, P.L.1999,
- 2 c.173, P.L.2000, c.93, P.L.2001, c.224, P.L.2002, c.71, P.L.2003,
- 3 c.159, P.L.2004, c.110, P.L.2005, c.197, P.L.2006, c.67, P.L.2007,
- 4 c.140, P.L.2008, c.67, P.L.2009, c.101, P.L.2010, c.62, P.L.2011,
- 5 c.95, P.L.2012, c.38, P.L.2013, c.94, P.L.2014, c.26, P.L.2015,
- 6 c.107, P.L.2016, c.31, <u>as amended by P.L.2017, c.13, P.L.2017,</u>
- 7 c.142, <u>as amended by P.L.2017, c.327</u> or P.L.2018, c.84 , <u>as</u>
- 8 <u>amended by P.L.</u>, c. (pending before the Legislature as Senate
- 9 <u>Bill No.</u> and Assembly Bill No.), and to secure the
- 10 administrative fees payable to the trust under these loans pursuant
- 11 to subsection o. of section 5 of P.L.1985, c.334 (C.58:11B-5).
- 12 c. To the extent that any loan repayment sums are used to
- satisfy any trust bond repayment or administrative fee payment deficiencies, the trust shall repay such sums to the department for
- 15 deposit into the Clean Water State Revolving Fund, the
- 16 "Wastewater Treatment Fund," the "1992 Wastewater Treatment
- 17 Fund," the "Water Supply Fund," the Drinking Water State
- 18 Revolving Fund, the "2003 Water Resources and Wastewater
- 19 Treatment Fund," or the "Stormwater Management and Combined
- 20 Sewer Overflow Abatement Fund," as appropriate, from amounts
- 21 received by or on behalf of the trust from project sponsors causing
- any such deficiency.
- 23 (cf: P.L.2018, c.85, s.10)

10. This act shall take effect immediately.

2627

STATEMENT

282930

31

32

33

34

35

3637

38 39

40

41

42

43

44

45

46

47

48

This bill would amend the list of environmental infrastructure projects approved by the Legislature for long-term funding for Fiscal Year 2019 to include new projects and remove certain projects.

Under current law, on or before May 15 each year, the New Jersey Infrastructure Bank ("NJIB") must submit a list of environmental infrastructure projects, known as the project eligibility list, to be approved by the Legislature for long-term funding. The list is introduced in each House in the form of legislative appropriations bills. In August 2018, P.L.2018, c.85 was enacted into law, which appropriated funds to the Department of Environmental Protection (DEP) for the purpose of financing approximately \$810.6 million in Storm Sandy and other environmental infrastructure projects through the NJIB in Fiscal Year 2019.

In August 2016, P.L.2016, c.30 was enacted into law, which, among other things, provided the NJIB with the authority to submit an additional project eligibility list, by October 15 of each year, for approval by the Legislature. Pursuant to that authority, the NJIB

- submitted an additional project eligibility list and revisions to the
- 2 list approved in P.L.2018, c.85. This bill would amend P.L.2018,
- 3 c.85 to include those new projects and remove certain projects.
- 4 Under this bill and P.L.2018, c.85, approximately \$822.9 million
- 5 would be made available for Storm Sandy and other environmental
- 6 infrastructure projects in Fiscal Year 2019.

8

9

10

11

1213

14

- Certain projects have been removed from the list of projects approved for funding either because they have already received long-term funding or because the projects will not be ready to receive funding before the end of Fiscal Year 2019 under NJIB program requirements.
- Funding sources for NJIB project loans include federal capitalization grants, State bond issue proceeds, State match, various prior legislative appropriations, loan repayments, interest earnings, and market rate loans made by the NJIB.
- The bill also corrects an error in the project list contained in subsection b. of section 3 of P.L.2018, c.85. A printing error had caused several of the loan amounts and project numbers for infrastructure projects around the State to be incorrect in the existing law. This bill would correct the project numbers and restore the loan amounts to those originally intended.